



WORKSHOP FOR ANEM MEMBERS

Implications of the Forthcoming Digitalization for ANEM Local/Regional Stations

On May 20, 2010, ANEM organized and held the workshop for its member stations titled “Implications of the Forthcoming Digitalization for ANEM local/regional stations” in the Belgrade Media Center and with the support of USAID and IREX Serbia. The aim of the workshop was to provide ANEM stations with essential information from the competent speakers about the digitalization process in Serbia, its implications, opportunities as well as obligations imposed by this process. The guests-panelists of the workshop were: representatives of the Public Company “Broadcasting Equipment and Communications”, the main role player in the digitalization process as the future network and multiplex operator – Radisa Petrovic, appointed Head of the Broadcasting Equipment Department and Vladimir Homan, Acting Director of the company; representatives of the Ministry for Telecommunications and Information Society – Irini Reljin, PhD, Deputy Minister, Milena Jovic, advisor in the Telecommunications Sector and Biljana Pavlovic, advisor in the Ministry’s Sector for European Integration; Jelena Surculija, media law expert and Nikola Linta, Director of Development at B92. The workshop was also attended by the following ANEM guests: Natasa Vuckovic Lesendric, Maja Petrovic and Maja Rakovic from the Ministry of Culture; Katarina Tomic from the Ministry of Telecommunications and Information Society; representatives of the regulatory bodies: Goran Karadzic, Deputy Chairman of the RBA and Aleksandra Stankovic, PR of RATEL; Slobodan Kremenjak from the Law office “Zivkovic & Samardzic” and Tomislav Damnjanovic from Marketing and Sales Company “A-media”; The donor society was represented by Sibina Golubovic from USAID, Ivana Bjelic from IREX and Sanja Stankovic from the OSCE Mission to Serbia.

22 participants, coming from 18 ANEM members, radio and TV stations, took part in this workshop: Radio City, Nis; Radio Ozon and TV Cacak from Cacak; Novosadska TV from Novi Sad; Radio Bus from Kovin; TV Alfra from Uzice; RTV Pannon from Subotica; Radio Em from Knjazevac; Radio Far from Alibunar; RTV OK from Kovacica; RTV Kragujevac from Kragujevac; RTV Trstenik from Trstenik; RTV Krusevac from Krusevac; Radio Kikinda from Kikinda; RTV Pancevo from Pancevo; TV Jedinstvo from Novi Pazar; TV Niska from Nis and RTV Mag from Obrenovac.

The workshop consisted of two parts. In the first part of the workshop, two main representatives of the Public Company “Broadcasting Equipment and Communications” explained the role of this company in the Serbian digital era. After their presentation, representatives of the Ministry of Telecommunications and Information Society provided information on the process of digitalization in Serbia and presented the plans for the digitalization of program broadcasting to the participants. In the second part of the workshop, representatives of ANEM stations had the opportunity to hear the presentation of the media expert Jelena Surculija about the possibilities offered to media

in area of program offer, while the director of development at B92, Nikola Linta, spoke about the challenges of digitalization for regulators, broadcasters and audience/viewers.

From the presentations of guest panelists, the participants learned more about technical aspects of the digital transition and chosen technical standards; they also learned about the existing regulatory framework for digitalization, what needed to be amended and which new regulations adopted, what were the regulatory priorities; what were the advantages and risks for media in the process of transition to digital broadcasting, as well as after the termination of the said process; what more was needed to be done in order to successfully carry out the transition and to precisely determine the competence of each regulatory body; what were the state's concrete plans to implement the transition; what were the issues and dilemmas that required adequate response for the utmost satisfaction of all participants in the process. The participants have also learned, among other things, about the two planned multiplexes – the first would enclose all national TV programs and some regional, while the second would contain the rest of the regional and all local TV broadcasts; a multiplex would hold no more than 14 channels; television stations would preserve their service zones, which would be provided with one national and several regional head ends (where the insertion of programs would be done); TV outlets would become content providers and their tasks would be to produce program and ensure its transmission to a multiplex, where program packaging would be done, while the operator would take over the broadcasting; the stations also learned more about what specifically would regulate the Rule Book on the transition from analogue to digital broadcasting and access to multiplex”, the provisions of which would be very important for them, what benefits, in terms of content offer, would the digital television provide for as well as new services that would facilitate the work of the media; the frequencies allocated in line with the analogue frequency plan would be preserved by June 17, 2015 (while the digitalization of the radio has been postponed to 2017) etc.

Speakers/key points:

Radisa Petrovic, appointed Head of the Broadcasting Equipment Department of the Public Company “Broadcasting Equipment and Communications” explained to the participants of the workshop the elements of the system of broadcasting equipment and communications, which fell under the authority/competence of the newly formed Public Company after its separation from the RTS; he presented the technical and employment structure and division of this company, as well as its main task – to cover Serbia with the signal and to create a system that would transmit the signal from the hub to all broadcasting points; he explained where the main broadcasting sites were, where transmitters and repeaters of small, medium and large range were located and what they were equipped with, as well as what was their role and a way of getting programming signals.

Vladimir Homan, Acting Director of the Public Company “Broadcasting Equipment and Communications”, explained to the participants of the workshop the history of the separation of transmission equipment and links and the formation of the said company; obstacles and problems that it currently faced, which affected the work of media (due to the failure to appoint the Director, the said company is still not operative), how would it operate in future, the planned broadcasting services and conditions under which they would be provided; he also pointed out that the broadcasting equipment was still a part of the RTS, although it had been formally

separated from it by a Government decision in October 2009, and that over the years, nothing had been invested in transmission facilities, or in the system.

Dr. Ireni Reljin, Deputy Minister for Telecommunications and Information Society, spoke, under the topic “Digitalization of television stations in Serbia”, about the technical aspects of the digital transition, the adopted standards, distribution networks planning, forming of multiplexes, program content, pilot network for experimental broadcast starting in January 2011 and the conditions for the digital transition in Serbia; she also introduced the attendees with the technical aspects of digital broadcasting, the conversion of optical into digital image, the difference between analogue and digital signal, the benefits of digitalization (which allowed endless possibilities in the program processing), and talked about digital radio and digital dividend, as well as the regulatory framework for the digital transition and regulatory priorities.

Milena Jocić, Advisor in the Telecommunications Department, spoke of receiving digital TV signals, after 2012 following the analogue switch-off and presented the methods of TV signal transmission, as well as the technical conditions of receiving digital TV signals, the purpose of set-top boxes, their likely prices and different models of subvention for their procurement.

Biljana Pavlović, Advisor in the European Integration Department of the Ministry for Telecommunications and Information Society, informed the participants of the “Regulations on the transition to digital broadcasting of radio and TV programs and access to multiplex”, which is under construction, its contents and what it would be regulating; she also presented a regulatory framework for the adoption of the Regulations and announced its putting to a public discussion before approval.

Jelena Surculija, MA, media expert, presented the opportunities and benefits that the digitalization would open to media in content offer, and spoke about the digitalization as a new form of freedom of expression for citizens and the media, the need for adoption of a new regulatory framework for the media that would allow all benefits of the process to be fully exploited; she also spoke about the positive impacts of digitalization on media, new services that would alleviate their work and risk factors for the media, consumer protection, the need for timely information of citizens; she emphasized the importance of defining the jurisdiction/competence of the two regulatory bodies, RBA and RATEL, regarding the changes and issuing of new licenses for digital broadcasting; she advised broadcasters to take joint actions and cooperate in the process of transition to digital broadcasting, in particular, concerning the exchange of digital content and experiences acquired in the execution of digital services.

Nikola Linta, Director of development at B92, presented to attending broadcasters the challenges of digitalization for the regulators, media and audience; he said that the regulators had a difficult task put before them because they were required to create a system that would not destroy television and that good planning was necessary to establish a viable and valid business model for the future; he also explained what was in store for broadcasters in the period before and after the analogue switch-off with all the uncertainty that burdened them; he suggested to ascertain the rights and obligations of all participants in the digital transition with the agreement, not the Regulations.

Workshop conclusions:

- Panelists agreed that the upcoming process of digitization would be a big challenge for the state, regulators, media and citizens, and that it was necessary that the authorities immediately assumed their duties planned by the Action Plan and Digitalization Strategy, so that other participants in the process could adapt to the changes in time
- It is essential that the Public Company “Broadcasting Equipment and Communication” start working immediately, and that the Government appoint a director of the said company; the absence of a functional operator brings into question the feasibility of the whole process; also visible is the problem of conclusions or extending the contracts with users of technical facilities, which could become a major obstacle for broadcasters as well
- Digitalization by 2012 applies only to terrestrial broadcasting, and the citizens who have satellite or cable TV will be able to continue to freely watch TV programs without having to buy set-top boxes
- The transition to digital broadcasting of radio signal is postponed to the period after the 2017, when the technical conditions for broadcasting in the appropriate standard would be met
- To take full advantage of digitalization, the appropriate regulations that would allow it are needed; so it is necessary that the authorities immediately enter into process of implementing the appropriate changes or passing legislation: the Ministry of Telecommunications and Information Society – to prepare the Regulation transition from analogue to digital broadcasting of radio and television programs and access to multiplex digital terrestrial broadcasting for a public hearing and to prepare the Decision on the allocation of the digital dividend; RATEL and RBA – to prepare the Decision on amendments to existing broadcast licenses for a public hearing, which will adapt valid licenses for broadcasting to conditions of digital terrestrial broadcasting in a way that does not affect the programming aspects, does not change the service zone and does not reduce the validity of licenses, in line with the said Regulation; the Ministry of Culture – to prepare a Draft Law on electronic media for a public discussion, which will be in accordance with the Directive on the audio-visual media services
- Regulatory priorities relevant to the media: the method and procedure of selection of network operators (who and how can one get a license for digital broadcasting network); the method and procedure for issuing licenses for program content; determining fees for broadcasting, especially taking into account the local media; the method and process of managing multiplexes; requested percentage of digital television signal coverage of the territory of Serbia
- Positive impacts of digitalization on the media are reduction of the broadcasting costs, easier exchange of information and its delivery to mobile phones; the Internet and other new media, media pluralism through the creation of new distribution networks, development of interactive services and other content, while the end users would have a greater choice of programs, improved picture quality and sound, as well as available new services
- Risk factors for the media are possible lack of time for a timely planning of the transition from analogue to digital broadcasting; a large number of broadcasters on a limited market; possible disruption of program from the neighboring countries, if they switch to digital broadcasting before we do; possible enlargement of service zones of local and regional broadcasters, which can lead to audience overlap and distort on the market; the media are no more owners, they become only content providers; level of fees for broadcasting and dues to the RBA

for broadcast licenses is uncertain; it is also uncertain how will the existing licenses change into licenses for digital broadcasting; which equipment will be needed, how much will it cost, etc...

- Representatives of the Public Company “Broadcasting Equipment and Communication” believe that the solution for the procurement of equipment must not be imposed, while the broadcasters can use their own links, connections and devices they already have in the process of digitalization; mutual interest of all is that any equipment deemed useful in the process should be used; therefore, they should put the procurement of new equipment on hold for the time being
- The process of digitalization is still filled with dilemmas and unresolved issues; ANEM will therefore strive to provide information to its stations on all major developments related to digitalization, but also to actively represent the interests of its stations in the digital transition – advocating for the establishment of an appropriate regulatory framework, as well as for more favorable terms for their transition to digital broadcasting; ANEM will also push for the urgent functioning of Public Company and exert constant pressure on the authorities to fulfill all their obligations in the preparatory process of the digital transition.